to be fixed under DPCO, 1987 with 100 per cent MAPE.

(e) to (g) The companies referred to above had been charging their own prices in respect of concerned formulations due to the stay granted by the Bombay High Court.

Committee on the role of public sector

3004. DR. G. VIJAYA MOHAN REDDY: Will the Minister of INDUSTRY be pleased to refer to the answer to Starred Question 63 given in the Rajya Sabha on the 27th February, 1989 and state:

(a) when the sub-committee was appointed;

(b) who were the members of the sub-committee and what were the terms of reference of the Committee;

(c) whether the Committee made any recommendations in respect to stock and sale of imported drugs by public sector;

(d) if so, what are the details thereof;

(e) what are the points of difference between the recommendations of the sub-committee and Chawda Committee on the role of public sector;

(f) whether his Ministry accepted the recommendations of the sub-committee;

(g) if so, when and what are the details thereof;

(h) what are the details of recommendations of Chawda Committee accepted by his Ministry regarding the role of public sector;

(i) whether his Ministry appointed any other Committee on the role of IDPL; and

(j) if so, what are the details thereof?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) (b) and (e) to (h) A sub-committee of the Consultative Committee of the then Minister of Petroleum, Chemicals and Fertilizers called the Chawda Committee was appointed on 2-1-1978 with the following composition:—

1. Shri K. S. Chavda, M.P.— Convenor.

2. Shri N. Anandan, M. P.— Member.

3. Shri Prem Manohar, M. P.— Member.

The Sub-Committee was required to go into the facts concerning the prices of imported bulk drugs reported to be higher than the indigenous price, in the context, further of canalised import prices being reportedly higher than the prices at which the actual users were said to be importing them. In brief, the recommendations made by the Sub-Committee are as under:—

(i) Sale of canalised bulk drugs should be exempted from Central Sales Tax;

(ii) Similarly, all State Governments should be required to exempt all such sales from the States Sales Tax;

(iii) The CCI&E's formula for fixing prices of canalised bulk drugs should be reviewed immediately on the basis of actual expenditure incurred by the canalising/distributing agency, with a view to reducing such costs and pass the resultant benefit to the consumer.

The Sub-Committee also made several other recommendations regarding prices of canalised bulk drugs. The recommendations of the Committee were, however, informal and advisory in nature.

IDPL does not distribute canalised bulk drugs any more.

(c) No, Sir.

(d) Does not arise.

(i) and (j) No other committee was appointed with reference to the issues connected with Chawda Committee.